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ARIZONA ATTORNEY GENERAL

July 2, 1937.

Mr. T. S. O'Connell,  
State Highway Engineer,  
Phoenix, Arizona.

Attention: E. C. Corbell, Chief Clerk  
Motor Vehicle Division

Dear Sir:

Answering your question relative to the request of a Prescott bank to file a copy of an instrument creating a blanket lien upon a number of vehicles, paying only a single filing fee, we will say that the law (Section 1648a) is not as clear upon this subject as it might be.

If we analyze the act in the light of the matters it is intended to cover we will find that it is almost impossible to construe the law in such manner as to take care of the situation presented by the bank.

As we view it, the bank seeks to take a blanket mortgage upon any number of registered or unregistered vehicles and thus avoid the payment of the filing fees and registration fees required for the filing of the lien upon a single vehicle.

Section 1648a prescribes the condition under which instruments creating a lien may be filed; a copy of the instrument is deposited with the division; accompanied by the certificate of title last issued for the vehicle. If the vehicle has not been registered and no certificate issued for it and is of a type subject to registration, a copy of the instrument to be filed is accompanied by an application for an original registration and an original certificate of title. In case of vehicles already registered the application appears to be for a new certificate of title to take the place of the one already issued for the vehicle. In any event the application is accompanied by the required fees. If the application is regular the division issues an original certificate of title to the non-registered vehicle and a new certificate to the vehicle that has already been registered.

Mr. T. S. O'Connell,  
Attention Mr. Corball

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The division maintains an index of all liens, encumbrances, and the filing, with the issuance of a new certificate of title constitutes the constructive notice provided by the act. In other words, it appears that the issuance of a new certificate of title or an original certificate is requisite to the constructive notice intended by the act.

On final payment the holder gives to the lienor or encumbrancer a satisfaction. The lienor delivers to the division a certificate of title to the vehicle on which the lien was given, together with a satisfaction thereof, and the division satisfies the lien on its records and on the certificate of title.

We cannot see how the statute can contemplate any other than individual liens upon single vehicles, and we do not see how the purpose of the act can be carried out by an attempted lien upon a multiplicity of vehicles. Each transaction has to be carried out upon each vehicle so far as the division is concerned, and we are, therefore, of the opinion, that even if the acceptance of such a blanket lien is permitted the division is entitled to filing fees as for each vehicle covered by the lien.

Very truly yours,

JOE CONWAY,  
Attorney General,

A. R. LYNCH,  
Assistant Attorney General.